

part

October 25, 2007

Ms. Mary Levine
Acting General Counsel/Director of Legal Affairs
Michigan State Housing Development Authority
725 Michigan Avenue
Lansing, MI 48909

Dear Ms. Levine:

Fifth Third Bank is a diversified financial services company headquartered in Cincinnati, Ohio. The Company has \$101 billion in assets; operates 18 affiliates with 1,174 full-service Banking Centers, including 105 Bank Mart(R) locations open seven days a week inside select grocery stores and 2,149 Jeanie(R) ATMs in Ohio, Kentucky, Indiana, Michigan, Illinois, Florida, Tennessee, West Virginia, Pennsylvania and Missouri. Our CDC was established in 1980. The Community Development Corporation (CDC) has invested \$1 billion in community development investments since its inception in 1989. The CDC accomplishes this through the purchase of Low Income Housing Tax Credits directly or through funds; by purchasing Historic Tax Credits; and by using New Market Tax Credits to impact the community. The CDC also works as a resource to community developers and non-profit and for-profit organizations.

We believe that the new version of the Qualified Allocations Plan takes into account many of the important requirements of the Community Reinvestment Act, which is a federal law that set forth the guidelines for our ability to invest. The proposed QAP reflects a more improved, inclusive process and better aligns with existing state priorities in tough economic times.

The new version of the QAP is evidence that MSHDA took a long hard look at what was being advocated for and made a decision to create a new process based on the merit of the project, rather than chance. The current QAP with its lottery system has had a negative impact on community developers and created uncertainty by the investor on the ability to support those investment opportunities in key markets. Fifth Third Bank is committed to making additional investments in Michigan if MSHDA ensures that LIHTC are available to communities that have a need for affordable housing and revitalization.

We also request that MSHDA reconsider the prohibition on single family rehab. Single-family rehab is a critical tool in the fight to save neighborhoods during our current foreclosure crisis. This strategy has been used successfully in other parts of the country and could be an effective tool in Michigan, as well.

Sincerely,


Byna Elliott

Director of Community Development

cc: Michael DeVos, Executive Director, MSHDA

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